

SEMINOLE COUNTY GOVERNMENT AGENDA MEMORANDUM

SUBJECT: Qualified Target Industry Project Market Traders Institute

DEPARTMENT: Economic Development

DIVISION: Operations

AUTHORIZED BY: William McDermott

CONTACT: Shani Beach

EXT: 7135

MOTION/RECOMMENDATION:

Approve and authorize the Chairman to execute a Resolution recognizing Market Traders Institute as a Qualified Target Industry (QTI) and providing an appropriation of \$100,000 as local participation in the state QTI tax refund program.

County-wide

Bill McDermott

BACKGROUND:

Market Traders Institute (MTI) is a financial services international headquarters currently located in Seminole County and is considering relocating to an alternative location of either New York City or Chicago. Participation in the state Qualified Target Industry program will show support for the company to expand their operations here. MTI plans to add 125 new high skilled, high-level jobs paying an average annual salary of \$63,000, which is 170% of the county's current average annual wage. The anticipated capital investment for this project is \$3,500,000, which includes construction renovations, lease payments, R&D equipment and other equipment purchases. If they choose to expand in Seminole County, the proposed location will be in Colonial TownPark. In accordance with the QTI program, local governments are required to provide a 20% match, which in this case would be \$100,000 for Seminole County (125 new jobs X \$4,000 per = \$500,000 X 20% = \$100,000). Funds are available in the Economic Development budget to cover this request. The project is consistent with stated economic development priorities of Seminole County in several respects; • The job creation is consistent with the development of high value added job opportunities within the county as stated in the JGI Ordinance, Section 1, (b).• The projects industry sector is targeted by Enterprise Florida (state), Metro Orlando EDC (region) and is consistent with the objectives of Seminole County's Economic Development Strategy.

STAFF RECOMMENDATION:

Approve Market Traders Institute as a QTI and award the requested 20% match.

ATTACHMENTS:

1. Return On Investment
2. Refund Calculation (A)
3. Refund Calculation (B)
4. Resolution

Additionally Reviewed By:

- ☒ Budget Review (Lisa Spriggs, Ryan Switzer)
- ☒ County Attorney Review (Ann Colby)

Name of Company	Market Traders Institute
Taxable Value/Capital Investment	\$3,500,000
Company Information:	Corp HQ
Proposed Location:	Colonial Center Pkwy
Incentive Award	\$ 100,000

Taxing Entities (Ad Valorem):	Rate	Tax (\$)
Countywide/General Fund	0.0043578	\$ 15,252
Countywide/Transportation	0.0001068	\$ 374
Countywide/Debt Service	0.0001451	\$ 508
St. Johns River Water Management District	0.0004158	\$ 1,455
School Board	0.0074130	\$ 25,946
Total		<u>\$ 43,535</u>

*2007 millage rates (<http://www.seminoletax.org/SCTAXEST.HTM#Millage%20Chart>)

County Only	Return of Ad Valorem
Seminole County/General Fund Only	6.6 Years
Seminole County/All BCC Millages	6.2 Years

All countywide	Return of Ad Valorem
Countywide	2.3 Years

Total Refund / Exhibit A

Calculation of Phased QTI Refunds for Market Traders Institute

Potential Per Job Award Amt.

\$ 4,000.00

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	41	42	42				125

Potential Total QTI Refunds

[illegible]

Local Financial Support / Exhibit B
Calculation of Phased QTI Refunds for Market Traders Institute

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	41	42	42	0	0	0	125
	12/31/2008	12/31/2009	12/31/2010				

QTI Local Financial Support (LFS)

	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9
Phase 1	8,200	8,200	8,200	8,200					
Phase 2		8,400	8,400	8,400	8,400				
Phase 3			8,400	8,400	8,400	8,400			
Phase 4				-	-	-	-		
Phase 5					-	-	-	-	
Phase 6						-	-	-	-
Local:	8,200	16,600	25,000	25,000	16,800	8,400	-	-	-
Total QTI LFS: \$		<u>100,000</u>							

QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM

RESOLUTION NO: _____

A RESOLUTION BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA FINDING THAT I TRADE FX BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO S.288.106, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF \$100,000.00 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2008/09 THROUGH 2014/15, AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA as follows:

WHEREAS, the business is the Corporate Headquarters for Financial Services, Foreign Currency Exchange Market, **MARKET TRADERS INSTITUTE**; and

WHEREAS, **MARKET TRADERS INSTITUTE** intends to expand their corporate headquarters in Seminole County to be located in Lake Mary. Anticipated capital investment will include \$3,500,000 for construction renovations, lease payments, R&D equipment and other equipment; and

WHEREAS, **MARKET TRADERS INSTITUTE** will create 125 new high-level, financial services jobs by the end of 2010. These jobs will be specialized in exchange services and computer programming with an average salary of at least \$55,440.00; and

WHEREAS, it is acknowledged that local participation of a 20% match totaling \$100,000.00 is required and understood and that participation in the program is contingent upon Market Traders Institute expanding in Seminole County.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA that the Board hereby recommends, **MARKET TRADERS INSTITUTE** be approved as a Qualified Target Industry Business pursuant to S.288-106, Florida Statutes.

BE IT FURTHER RESOLVED that the necessary commitment of local financial support for the Qualified Target Industry Business for the Qualified Target Industry Tax Refund Program exists in an amount not to exceed \$100,000.00, that this amount will be paid to the Florida Economic Development Trust Fund as required, in accordance with the Office of Tourism, Trade and Economic Development guidelines, with the stipulation that these funds are intended to represent the "local participation" pursuant to S. 288-106, Florida Statutes.

This resolution shall take effect immediately upon its adoption.

DULY ADOPTED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA THIS 11TH DAY OF DECEMBER, 2007.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA**

Chairman

Clerk